

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

LORDSTOWN MOTORS CORP., *et al.*,¹

Debtors.

Chapter 11

Case No. 23-10831 (MFW)

(Jointly Administered)

Obj. Deadline: November 30, 2023 at 4:00 p.m. (ET)

**SUMMARY OF FIRST MONTHLY APPLICATION OF M3 ADVISORY PARTNERS,
LP, AS FINANCIAL ADVISOR TO THE OFFICIAL COMMITTEE OF
EQUITY SECURITY HOLDERS, FOR ALLOWANCE OF COMPENSATION
AND REIMBURSEMENT OF EXPENSES FOR THE
PERIOD FROM SEPTEMBER 7, 2023 THROUGH SEPTEMBER 30, 2023**

Name of Applicant:

M3 Advisory Partners, LP

Authorized to provide professional
services to:

Official Committee of Equity Security Holders
Lordstown Motors Corp., *et al.*

Date of retention order:

October 16, 2023 *nunc pro tunc* to September 7, 2023

Period for which compensation and
reimbursement sought:

September 7, 2023 through September 30, 2023

Compensation sought as actual,
reasonable, and necessary:

\$254,640.00 (80% of \$318,300.00)

Expense reimbursement sought as actual,
reasonable, and necessary:

\$378.66

This is a(n): X monthly interim final

Previous Applications: N/A

¹ The Debtors and the last four digits of their respective taxpayer identification numbers are: Lordstown Motors Corp. (3239); Lordstown EV Corporation (2250); and Lordstown EV Sales LLC (9101). The Debtors' service address is 27000 Hills Tech Ct., Farmington Hills, MI 48331.

Prior applications:

Application	Date Filed	Period Covered	Requested Fees/Expenses	Approved Fees/Expenses
None				

MONTHLY COMPENSATION BY PROJECT CATEGORY

Project Category	Total Hours	Total Fees
Plan of Reorganization/Disclosure Statement	10.2	\$11,730.00
Case Administration	8.2	6,890.00
General Correspondence with Debtor & Debtors' Professionals	42.2	37,260.00
Financial & Operational Matters	128.3	98,715.00
Asset Sales	41.9	32,405.00
General Correspondence with Other Professionals	80.0	69,090.00
Financing Matters (Cash Budget, Exit, Other)	85.1	50,105.00
Firm Retention	1.9	1,585.00
Investigations and Litigation Support	7.8	4,290.00
Claims/Liabilities Subject to Compromise	9.8	6,230.00
TOTAL	415.4	\$318,300.00

MONTHLY COMPENSATION BY INDIVIDUAL

Name of Professional Person	Position of the Applicant	Hourly Billing Rate	Total Billed Hours	Total Compensation
Winning, Robert	Managing Director	\$1,150	65.5	\$75,325.00
Bauck, Lyle	Managing Director	1,150	67.7	77,855.00
Gallagher, William	Managing Director	1,150	1.0	1,150.00
Lo, Anthony	Vice President	750	65.4	49,050.00
Altman, Matthew	Associate	550	159.8	87,890.00
Dombrowski, Lauren	Associate	550	18.3	10,065.00
Edward, David	Analyst	450	37.7	16,965.00
Grand Total:			415.4	\$318,300.00

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FINANCIAL ADVISOR TO THE OFFICIAL COMMITTEE OF EQUITY SECURITY
HOLDERS, FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF
EXPENSES FOR THE
PERIOD FROM SEPTEMBER 7, 2023 THROUGH SEPTEMBER 30, 2023**

M3 Advisory Partners, LP (“M3 Partners”), Financial Advisor to the Official Committee of Equity Security Holders (the “Committee”) of Lordstown Motors Corp., the above-captioned debtors (the “Debtors”), hereby submits its monthly fee application (the “Application”) for entry of an order pursuant to section 331 of title 11 of the United States Code, 11 U.S.C. §§101 et seq., as amended (the “Bankruptcy Code”) granting interim compensation in the amount of \$254,640.00 (80% of \$318,300.00) and reimbursement of expenses in the amount \$378.66 for the period from September 7, 2023 through September 30, 2023 (the “Compensation Period”), and in support thereof, M3 Partners respectfully represents as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §1334. This is a core proceeding pursuant to 28 U.S.C. §157(b)(2)(A) and (B).

2. Venue of this proceeding and this Application is proper in this District pursuant to 28 U.S.C. §§1408 and 1409.

³ The Debtors and the last four digits of their respective taxpayer identification numbers are: Lordstown Motors Corp. (3239); Lordstown EV Corporation (2250); and Lordstown EV Sales LLC (9101). The Debtors’ service address is 27000 Hills Tech Ct., Farmington Hills, MI 48331.

3. The statutory predicate for the relief sought herein is section 331 of the Bankruptcy Code.

BACKGROUND

4. On June 27, 2023, (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code (collectively the “Chapter 11 Cases”). The Chapter 11 Cases are being jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b).

5. The Debtors have continued in the possession of its property and have continued to operate and manage its business as Debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Chapter 11 Cases.

6. On July 13, 2023, the Debtor filed the *Debtors’ Motion for Entry of an Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Chapter 11 Professionals and Committee Members* (the “Interim Compensation Motion”) [Docket No. 111], and on July 25, 2023, the Court entered an Order approving the Interim Compensation Motion (the “Interim Compensation Order”) [Docket No. 181].

7. On September 7, 2023, the United States Trustee for the District of Delaware (the “United States Trustee”) filed its notice of appointment of the three (3) member Committee pursuant to section 1102(a)(1) of the Bankruptcy Code⁴. On or about June 16, 2023, the Committee selected Brown Rudnick LLP (“Brown Rudnick”) as its general bankruptcy counsel, and soon thereafter M3 Partners was selected to serve as Financial Advisor to the Committee.

8. On September 27, 2023, the Committee filed the *Application for Entry of an Order Authorizing the Retention and Employment of M3 Advisory Partners, LP as Financial Advisor to*

⁴ The Equity Committee members are the following: (1) Crestline Management, L.P.; (2) Pertento Partners LLP; and (3) Esopus Creek Value Series Fund LP – Series “A”.

the Official Committee of Equity Security Holders Nunc Pro Tunc to September 7, 2023 (the “Retention Application”) [Docket No. 479]. On October 16, 2023, the Court entered an order approving the Retention Application, *Nunc Pro Tunc to September 7, 2023* [Docket No. 559].

SUMMARY OF SERVICES RENDERED

9. Time entries detailing the fees incurred during the Compensation Period, by professional and by category, including a full and detailed statement describing the services rendered during the Compensation Period, by each professional are attached as **Exhibit A**.

10. The total sum due to M3 Partners for professional services rendered on behalf of the Committee during the Compensation Period is \$318,300.00, which services were reasonable and necessary.

Plan of Reorganization/Disclosure Statement

11. During the Fee Period, M3 Partners performed various workstreams related to the Debtor’s Chapter 11 plan and disclosure statement. Among other things, M3 Partners analyzed the various projections embedded in the Debtors’ disclosure statement and worked alongside counsel to the Committee on drafting the Committee’s comments to the Debtors’ disclosure statement.

Case Administration

12. During the Fee Period, M3 Partners engaged in various tasks related to managing the case, such as performing basic diligence with the goal of crafting a work plan, creating trackers related to various workflow items, communicating with counsel to the Committee regarding workstreams and case strategy, and drafting presentations for the Committee.

General Correspondence with Debtor & Debtors’ Professionals

13. During the Fee Period, M3 Partners corresponded regularly with the Debtors and their professionals on items related to the progress of the chapter 11 cases, including for purposes

of evaluating the status of the sale process, actual performance versus the budget, and diligence requests.

Financial & Operational Matters

14. During the Fee Period, M3 Partners analyzed various items related to the Debtors' finances and operations. Among other things, M3 Partners reviewed historical financial statements, compared pre- and post-petition financial models, examined operating budgets and models, and reviewed the Debtors' equity ownership reports.

Asset Sales

15. During the Fee Period, M3 Partners analyzed various aspects of the Debtors' proposed sale process. Among other things, M3 Partners reviewed the proposed bidding procedures and interested parties, liaised with the Debtors' advisors regarding updates on the sale process, and corresponded with counsel to the Committee regarding issues with the Debtors' sale process.

General Correspondence with Other Professionals

16. During the Fee Period, M3 Partners corresponded regularly with the Committee and counsel to the Committee regarding various workstreams, including matters related to the Debtor's asset sale process, the Debtors' chapter 11 plan and related disclosure statement, and the Debtors' financial projections.

Financing Matters (Cash Budget, Exit, Other)

17. During the Fee Period, M3 Partners analyzed the Debtors' prepetition financials and examined the Debtors' cash flow forecast to assess recoveries. Specifically, M3 Partners accessed the Debtors' data room and performed diligence in connection with the materials therein, reviewed weekly budgets and variance reports from the Debtors' professionals, and worked

alongside counsel to the Committee to analyze financial data.

Firm Retention

18. During the Fee Period, M3 Partners prepared its retention application.

Investigations and Litigation Support

19. During the Fee Period, M3 Partners worked alongside counsel to gather data from the Debtors and provide support for ongoing litigation and investigations pertaining to the case.

Claims/Liabilities Subject to Compromise

20. During the Fee Period, M3 Partners analyzed and provided regular updates to the Committee on the state of the claims pool. M3 Partners also worked alongside the Debtors to analyze data and gather information on potential counterparties and strategies to maximize value for the estate.

21. M3 Partners incurred \$378.66 in expenses during the Compensation Period. A chart detailing the specific disbursements is attached hereto as **Exhibit B**.

22. The undersigned hereby attests that he has reviewed the requirements of Local Rule 2016-1 and this Application conforms to such requirements, including that travel time was not billed at more than half rate and copying charges were only \$.10 per page.

WHEREFORE, M3 Partners hereby requests pursuant to the procedures allowed in the Interim Compensation Order: payment in the amount of \$254,640.00, representing eighty percent (80%) of the total fees billed (\$318,300.00) and 100% of the total expenses incurred (\$378.66) during the Fee Period for a total of \$255,018.66.

Dated: November 10, 2023

M3 ADVISORY PARTNERS, LP

/s/ Robert Winning

Robert Winning

Managing Director, M3 Advisory Partners, LP